CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiffs Isaac Rodriguez, Maria Alvarez, Cecilio Guzman Viveros, Kate Lopez, and Gilberto Serrato Moreno (collectively, "Plaintiffs") and defendant Feghali Foods, ("Defendant"). The Agreement refers to Plaintiffs and Defendant collectively as the "Parties," or individually as "Party."

This Settlement Agreement is subject to the approval of the Court, pursuant to California Rules of Court, Rule 3.769(c), (d) and (e), and is made for the sole purpose of attempting to consummate settlement of the Action on a class-wide basis subject to the following terms and conditions. As detailed below, in the event the Court does not enter an order granting final approval of the Class Settlement, as defined below, or the conditions precedent are not met for any reason, this Agreement is void and of no force or effect whatsoever.

1. **DEFINITIONS**

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- 1.1. "Action" collectively means the Plaintiff's lawsuits alleging wage and hour violations against Defendant captioned: (1) *Isaac Rodriguez v. Feghali Foods*, Case No. BCV-23-100142, initiated on January 17, 2023 and pending in Superior Court of the State of California, County of Kern; (2) *Isaac Rodriguez v. Feghali Foods*, Case No. BCV-23-100130 initiated on January 17, 2023 in Superior Court of the State of California, County of Kern, and subsequently dismissed, without prejudice, on April 4, 2023.
- 1.2. "Administrator" means Apex Class Action, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval.
- 1.4. "Aggrieved Employees" means all individuals who were employed by Defendant in California and classified as a non-exempt employee at any time during the PAGA Period.
- 1.5. "Class" means all individuals who were employed by Defendant in California and classified as a non-exempt employee at any time during the Class Period.
- 1.6. "Class Counsel" means Norman B. Blumenthal, Kyle R. Nordrehaug, Aparajit

- Bhowmik, Nicholas J. De Blouw, Jeffrey S. Herman, Sergio J. Puche, and Trevor G. Moran of Blumenthal Nordrehaug Bhowmik De Blouw LLP.
- 1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts to be paid to Class Counsel for fees and expenses, respectively, as approved by the Court, to compensate Class Counsel for their legal work in connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.
- 1.8. "Class Data" means Class Member identifying information in Defendant's possession including the Class Member's name, last-known mailing address, Social Security number, email address (if known and available to Defendant), and number of Class Workweeks and PAGA Pay Periods.
- 1.9. "Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members by use of available email addresses, phone numbers, social security numbers, credit reports, LinkedIn and Facebook.
- 1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation, if applicable in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. "Class Notice Packet" means the Class Notice to be provided to the Class Members by the Administrator in the form set forth as <u>Exhibit A</u> to this Agreement (other than formatting changes to facilitate printing by the Administrator).
- 1.13. "Class Period" means the period of time from February 16, 2020 through the date of preliminary approval.
- 1.14. "Class Workweek" means any workweek during the Class Period in which a Class Member worked for Defendant for at least one day.
- 1.15. "Class Representative" means the named Plaintiffs in the Operative Complaint in the Action seeking Court approval to serve as a Class Representative.

- 1.16. "Class Representative Service Payment(s)" means the service payments made to the Plaintiffs as Class Representative in order to compensate for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant's expenses, and for the general release of all claims by the Plaintiffs.
- 1.17. "Court" means the Superior Court of California, County of Kern.
- 1.18. "Defendant" means Feghali Foods.
- 1.19. "Defense Counsel means Vanessa Franco Chavez and Catherine E. Bennett of Klein, DeNatale, Goldner Cooper, Rosenlieb & Kimball, LLP.
- 1.20. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (ii) the dismissal of any appeal, writ, or other appellate proceeding opposing the Settlement with no right to pursue further remedies or relief; or (iii) upon the expiration of any time to file a petition for rehearing and the expiration of any time to file any petition in the California Supreme Court or the Supreme Court of the United States following a final appellate opinion or order upholding the Court's final order with no right to pursue further remedies or relief. In the event there is a motion to set aside the judgment filed within 15 days after notice to Class Members pursuant to California Rules of Court, rule 3.771(b), or a motion to intervene filed within 60 days after notice to Class Members pursuant to California Rules of Court, rule 3.771(b), "the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement" (as that phrase is used in (b)(i)-(iii), above) will be based on the later of the court's ruling or order on any such motion or entry of final order and judgment certifying the class and approving this Settlement. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's order approving the Settlement is completely final and there is no further recourse by an appellant or objector who seeks to contest the Settlement.
- 1.21. "Employer Taxes" means employer-funded taxes and contributions imposed on the wage portions of the Individual Class Payments under the Federal insurance Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions required of employers, such as for unemployment insurance.
- 1.22. "Employee's Taxes and Required Withholding" means the employee's share of any and all applicable federal, state or local payroll taxes, inclusion those collected under authority of the FICA, FUTA, or SUTA on the portion of any Individual Class Payment that constitutes wages. The Employee's Taxes and Required Withholdings will be withheld from the Individual Class Payments paid to Participating Class Members.

- 1.23. "Final Approval" means the Court's order granting final approval of the Settlement substantially in the form attached hereto as <u>Exhibit C</u> to this Agreement and incorporated by reference into this Agreement.
- 1.24. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
- 1.25. "Gross Settlement Amount" means Eight Hundred Thousand Dollars (\$800,000) which is the total amount to be paid by Defendant as provided by this Agreement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administration Expenses Payment. This Gross Settlement Amount is an all-in amount without any reversion to Defendant, and excludes any Employer Taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement and shall be the separate additional obligation of Defendant.
- 1.26. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Class Workweeks worked during the Class Period, less Employee's Taxes and Required Withholding.
- 1.27. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.28. "Judgment" means the judgment entered by the Court based upon Final Approval substantially in the form attached hereto as <u>Exhibit C</u> to this Agreement and incorporated by reference into this Agreement.
- 1.29. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.30. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.31. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.

- 1.32. "Non-Participating Class Member" means a Class Member who opts out of the Class Settlement by submitting a valid and timely Request for Exclusion to the Administrator.
- 1.33. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.34. "PAGA Notice" means Plaintiff Rodriguez's October 31, 2022 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.35. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.36. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500) and the 75% to LWDA (\$37,500) in settlement of PAGA claims.
- 1.37. "PAGA Period" means the period of time from October 31, 2021 through the date of preliminary approval.
- 1.38. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion.
- 1.39. "Plaintiffs" means Isaac Rodriguez, Maria Alvarez, Cecilio Guzman, Viveros, Kate Lopez, and Gilberto Serrato Moreno, the named plaintiffs in the Action.
- 1.40. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement, substantially in the form attached hereto as <u>Exhibit B</u> to this Agreement and incorporated by this reference herein.
- 1.41. "Released Class Claims" means the claims being released as described in Paragraph 6.2 below.
- 1.42. "Released PAGA Claims" means the claims being released as described in Paragraph 6.3 below.
- 1.43. "Released Parties" means: Defendant and each of its former, future, and present parent, joint venturers, and affiliated corporations and partnerships; their directors, officers, shareholders, principals, owners, members, managers, partners, customers, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries.
- 1.44. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.45. "Response Deadline" means forty-five (45) calendar days after the Administrator mails Class Notice Packet to Class Members and Aggrieved Employees and shall be the last

date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objection to the Settlement. Class Members to whom Class Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.46. "Settlement" means the disposition of the Action and all related claims effectuated by this Agreement and the Judgment.

2. RECITALS

The Class Action

- 2.1. On January 17, 2023, Plaintiff Rodriguez commenced this Action by filing a Class Action Complaint against Defendant in the Superior Court of the State of California, County of Kern (The "Class Action"). Plaintiff Rodriguez's Class Action Complaint asserted claims that Defendant:
 - (a) Violated California Business and Professions Code § 17200 et seq.;
 - (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197 & 1197.1;
 - (c) Failed to pay overtime wages in violation of California Labor Code § 510, et seq.;
 - (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
 - (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
 - (f) Failed to provide accurate itemized wage statements in violation of California Labor Code § 226;
 - (g) Failed to reimburse employees for required expenses in violation of California Labor Code § 2802;
 - (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202, and 203; and
 - (i) Failed to pay sick pay wages in violation of California Labor Code §§ 204, 233, 246.
- 2.2. On April 4, 2023, Plaintiff Rodriguez filed a dismissal without prejudice of the Class Action, which the Court ordered that same date.

The PAGA Action

2.3. On January 17, 2023, Plaintiff Rodriguez filed a separate Representative Action Complaint against Defendant (the "PAGA Action"). Plaintiff Rodriguez's Representative Action Complaint asserted one cause of action against Defendant for Civil Penalties Pursuant to Labor Code §§ 2699, et seq. for violations of Labor Code §§ 201, 202, 203, 204, et seq., 210, 218, 221, 226(a), 226.7, 227.3, 510, 512, 558(a)(1)(2), 1194, 1197,

- 1197.1, 1198, 2802, California Code of Regulations, Title 8, Section 11040, Subdivision 5(A)-(B), and the applicable Wage Order(s).
- 2.4. On April 25, 2023, Defendant filed an answer to Plaintiff Rodriguez's Representative Action Complaint, asserting thirteen (13) affirmative defenses.

Pleading Amendment

- 2.5. As part of this Agreement, the Parties stipulated to the filing of a First Amended Class and Representative Action Complaint in the PAGA Action that: adds all claims and parties originally filed in the Class Action that was dismissed without prejudice, and adds Maria Alvarez, Cecilio Guzman Viveros, Kate Lopez, and Gilberto Serrato Moreno as named Plaintiffs and Class Representatives. The First Amended Class and Representative Action Complaint shall be the operative complaint in the Action (the "Operative Complaint"), which will be filed once this Agreement has been executed by all the Parties and no later than the date of Plaintiff's motion for preliminary approval.
- 2.6. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

Mediation and Settlement

- 2.7. On February 16, 2024, the Parties participated in an all-day mediation presided over by Tagore Subramaniam, Esq., a respected mediator of wage and hour representative and class actions. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties.
- 2.8. Prior to mediation, Plaintiffs obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiff's' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.9. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant that the claims in the Action of Plaintiffs or the Class have merit or that Defendant bears any liability to Plaintiffs or the Class on those claims or any other claims, or as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendant reserves the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

- 2.10. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.
- 2.11. The Parties agree that this Agreement is for settlement purposes only and if, for any reason, the Agreement is not approved, the Agreement will be of no force or effect. In such event, nothing in this Agreement shall be used or construed by or against any party as a determination, admission, or concession of any issue of law or fact in the Action; and the Parties do not waive, and instead expressly reserve, their respective rights with respect to the prosecution and defense of this Action as if this Agreement never existed.
- 2.12. The Court has not granted class certification.
- 2.13. The Agreement set forth herein intends to achieve the following: (1) an entry of an order approving the Settlement; (2) entry of judgment of the Action; (3) discharge of Released Parties from liability for any and all of the Released Claims; and (4) discharge of Defendant from liability for any and all claims arising out of the Action.

3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$800,000 and no more as the Gross Settlement Amount. This amount is all-inclusive of all payments contemplated in this resolution, excluding any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages which shall be separately paid by Defendant to the Administrator. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. <u>Payments from the Gross Settlement Amount</u>. Subject to the terms and conditions of this Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.
 - (a) To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than \$10,000 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiffs' requests for Class Representative Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves Class Representative Service Payments less than the amount requested, the

- Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.
- (b) To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be \$266,666, and a Class Counsel Litigation Expenses Payment of not more than \$30,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.
- (c) <u>To the Administrator</u>: An Administration Expenses Payment not to exceed \$20,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less, or the Court approves payment less than \$20,000, the Administrator will retain the remainder in the Net Settlement Amount for distribution to Participating Class Members.
- (d) To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$50,000 to be paid from the Gross Settlement Amount, with 75% (\$37,500) allocated to the LWDA PAGA Payment and 25% (\$12,500) allocated to the Individual PAGA Payments.
 - i. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$12,500) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

- (e) <u>To Each Participating Class Member:</u> An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Class Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Class Workweeks.
 - i. Tax Allocation of Individual Class Payments. 15% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 85% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages, expense reimbursement, interest, and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
 - ii. <u>Effect of Non-Participating Class Members on Calculation of Individual Class Payments</u>. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

4. SETTLEMENT FUNDING

- 4.1. <u>Class Workweeks and Aggrieved Employee Pay Periods</u>. Based on its records, Defendant has represented that the Class consists of approximately 1,669 Class Members who collectively worked a total of 65,000 Class Workweeks during the Class Period through February 16, 2024, and 1,059 Aggrieved Employees who worked a total of 19,472 PAGA Pay Periods.
- 4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Class Counsel shall not receive a copy of the Class Data or any content thereof unless Defendant expressly agrees to disclosure of information for purposes of this Settlement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. <u>Funding of the Gross Settlement Amount</u>. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date. At least five (5) business days prior to Defendant's deadline for funding of the Gross Settlement Amount, the Administrator shall calculate the total Employer Taxes due on the wage portion of the Individual Class Payments and issue Defendant instructions and the amount of the Employer Taxes.

5. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT

- 5.1. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.
- 5.2. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the "void date", which is 180 days after the date of mailing, when the check will be voided. Before checks are mailed, the Administrator shall update address information through the National Change of Address database. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database. If a Participating Class Member's or Aggrieved Employee's check is not cashed within 120 days after its last mailing to the affected individual, the Administrator will also send the individual a notice informing him or her that unless the check is cashed by the void date, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed.
- 5.3. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

- 5.4. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such or to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384(b) ("Cy Pres Recipient"). The Parties agree to appoint Court Appointed Special Advocates of Kern County as the Cy Pres Recipient, subject to Court approval. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.
- 5.5. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 6. RELEASE OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all Employer Taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Participating Class Members, Aggrieved Employees and the LWDA will release claims against all Released Parties as follows:
 - 6.1. Plaintiffs' Release. Plaintiffs and his or her respective former and present spouses, representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and does hereby forever generally release, discharge, and agree to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, causes of action, suit, rights, demands, costs, losses, transactions, occurrences, or debts or expenses (including attorney fees and costs), known or unknown, at law or in equity which Plaintiffs each may now have or may become aware of after the signing of this Agreement, including, but not limited to: (a) arising out of or in any way connected with their employment with Defendant; (b) the Released Claims, (c) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; (d) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Action, Plaintiff Rodriguez's PAGA Notice, or ascertained during the Action and released under 6.2, below, and (e) and any and all transactions, occurrences, or matters between the Parties occurring prior to the date this Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include, but is not limited to, any and all claims under: (a) the Americans with Disabilities Act; (b) Title VII of the Civil Rights Act of 1964; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981; (e) the Age Discrimination in Employment Act; (f) the Fair Labor Standards Act; (g) the Equal Pay Act; (h) the Employee Retirement Income Securities Act, as amended; (i) the Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act; (n) the California

Constitution; (o) the California Labor Code; (p) the California Government Code; (q) the California Civil Code; and (r) any and all other federal, state, and local statutes, ordinances, regulations, rules, and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of emotional distress, negligent infliction of emotional distress, or damages under any other federal, state, or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain and suffering, and attorney fees and costs. ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time, based on occurrences outside the Class Period, or claims which cannot be waived as part of this settlement as a matter of law. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

(a) <u>Plaintiffs' Waiver of Rights Under Civil Code Section 1542</u>. For purposes of Plaintiffs' Release, Plaintiffs, being aware of California Civil Code section 1542, as well as any other statutes or common law principles of a similar effect, hereby forever expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

Plaintiffs specifically acknowledge that he or she is aware of and familiar with the provisions of the above Civil Code section 1542. Plaintiffs may hereafter discover facts in addition to or different from those which he or she now knows or believes to be true with respect to the subject matter of all the claims referenced herein, but agree that, upon the funding of the entire Gross Settlement Amount and Employer Taxes, Plaintiffs shall and hereby does fully, finally, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, contingent or noncontingent, that were asserted or could have been asserted upon any theory of law or equity without regard to the subsequent discovery of existence of such different or additional facts, through the date on which this Agreement is fully executed.

6.2. Release by Participating Class Members

- (a) Upon the Effective Date and full funding of the Gross Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and do hereby forever release, discharge, and agree to hold harmless the Released Parties from all claims during the Class Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action including any and all claims for: 1) unlawful business practices; 2) failure to pay minimum wages; 3) failure to pay overtime compensation; 4) failure to provide required meal periods and meal period premium pay; 5) failure to provide required rest periods and rest period premium pay; 6) failure to provide accurate and complete itemized statements; 7) failure to reimburse employees for expenses; 8) failure to pay wages when due; and 9) failure to pay sick pay wages ("Released Class Claims"). To the extent based on facts alleged on the Operative Complaint or the PAGA Letter, the Released Class Claims encompass, but are not limited to, all claims pursuant to the applicable IWC Wage Order, and Labor Code §§ 201, 202, 203, 204, 210, 218, 221, 226, 226.7, 233, 246, 246.5, 510, 512, 515, 1194, 1194.2, 1197, 1197.1, 1198, 2802; California Business and Profession Code §§ 17200, et seq. The Released Class Claims excludes claims, if any, by Class Members for workers compensation; unemployment; disability benefits; causes of action which may be possessed by Class Members (other than the named Plaintiffs) under state or federal discrimination statutes, including, without limitation, wrongful termination and violation of the Fair Employment and Housing Act; and Class claims outside of the Class Period.
- (b) Each Participating Class Member will be bound to the release of Released Class Claims as a result of this Class Settlement and to the terms of the final judgment and the satisfaction of such judgment.
- (c) Participating Class Members will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual Class Payments constitute payment of all sums allegedly due to them. Participating Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual Class Payment. That section provides in pertinent part as follows:

"An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made."

- 6.3. Release as to PAGA. Upon the Effective Date and full funding of the Gross Settlement Amount, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities and causes of action for civil penalties under the PAGA, that Aggrieved Employees have had, now have, or may have in the future against Released Parties based on any acts or omissions occurring during the PAGA Period and were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint or the PAGA Notice ("Released PAGA Claims"). The Released PAGA Claims include, but are not limited to, claims for PAGA penalties pursuant to Labor Code §§ Labor Code §§ 201, 202, 203, 204, 210, 218, 221, 226, 226.7, 227.3, 233, 246, 246.5, 510, 512, 515, 558, 1194, 1194.2, 1197, 1197.1, 1198, 2699, et seq. 2802. Any Aggrieved Employees who submit a valid and timely Request for Exclusion are still entitled to their Individual PAGA Payment and have no right or ability to opt out of the portion of this Settlement releasing the Released PAGA Claims. Released PAGA Claims excludes claims, if any, by Class Members for workers compensation; unemployment; disability benefits; causes of action which may be possessed by Class Members (other than the named Plaintiffs) under state or federal discrimination statutes, including, without limitation, wrongful termination and violation of the Fair Employment and Housing Act; and PAGA claims outside of the PAGA Period.
- 7. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's procedures and instructions.
 - 7.1. <u>Defendant's Responsibilities</u>. In a declaration under penalty of perjury, Defendant will verify that the Class Members all signed arbitration agreements.
 - 7.2. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. .
 - 7.3. <u>Responsibilities of Counsel</u>. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of

- the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 7.4. <u>Duty to Cooperate</u>. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION

- 8.1. Selection of Administrator. The Parties have jointly selected Apex Class Action to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; posting the Class Notice Packet on the Administrator's website, conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 8.2. <u>Employer Identification Number</u>. The Administrator shall have and use its own Employer Identification Number for the purposes of calculating payroll tax withholdings and providing reports to the state and federal tax authorities.
- 8.3. <u>Qualified Settlement Fund</u>. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 8.4. Notice to Class Members.

- (a) No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Class Workweeks, and PAGA Pay Periods in the Class Data.
- (b) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, if applicable substantially in the form attached to this Agreement as Exhibit A. The Administrator will also post a copy of the Class Notice with Spanish Translation on its website at least until the date of the Final Approval Hearing. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Class Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- (c) Not later than 7 days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. Other than verifying that Defendant does not have any additional information to locate or send the Class Notice, the Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- (d) The deadlines for Class Members' written objections, Challenges to Class Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the Response Deadline provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- (e) If the Administrator, the Parties, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

8.5. Requests for Exclusion (Opt-Outs).

- (a) Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- (b) The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge, though the Court may make a final determination of any dispute. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge, except by the Court.
- (c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 6.2 of the Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- (d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted, and the objection will be void.
- 8.6. <u>Challenges to Calculation of Class Workweeks</u>. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The

Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Class Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Class Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Class Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination as to the challenges.

8.7. Objections to Settlement.

- (a) Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- (b) Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to a written objection, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- (c) Non-Participating Class Members have no right to object to any of the class action components of the Settlement. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted, and the objection will be void.
- 8.8. <u>Administrator Duties</u>. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
 - (a) Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails. If Final Approval is granted, the Administrator will post the above-listed information of interest for at least 180 days after the date of mailing Individual Class Payments and Individual PAGA Payments.

- (b) Request for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 7 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list (a) to Class Counsel and Defense Counsel containing the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"), along with copies of all valid and timely Requests for Exclusion; and (b) to Defense Counsel containing the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion, along with copies of all invalid or untimely Requests for Exclusion from Settlement submitted.
- (c) <u>Class Workweek and/or PAGA Pay Period Challenges</u>. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Class Workweeks and/or PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- (d) Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Class Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include providing the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received. The Administrator must, on a weekly basis, provide Defense Counsel the names and identifying information of Class Members whose Class Notices have been returned as undeliverable for the purpose of determining if Defendant can provide any additional information to successfully mail the Class Notice.
- (e) Administrator's Declaration. Not later than 7 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

- (f) <u>Posting of Final Judgment</u>. Within 10 days after the Court has held a Final Approval Hearing and entered the Judgment certifying the Class for settlement purposes only and approving the Settlement, the Administrator will give notice of judgment to Class Members pursuant to California Rules of Court, rule 3.771(b) by posting a copy of said Judgment on its website at a web address to be included in the Class Notice.
- (g) Final Report by Administrator. Within 10 days after the Administrator disburses all funds of the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 7 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court. If a second declaration attesting to the distribution of uncashed checks is required, the Administrator shall provide this second declaration at least 7 days before any deadline for a second declaration and Class Counsel shall be responsible for filing the second declaration with the Court.
- 9. CLASS SIZE MODIFICATION AND ESCALATOR CLAUSE. Based on its records, Defendant provided figures as to the Class size as set forth in paragraph 4.1 above. Should the Class Workweeks worked by the Class Members during the Class Period ultimately increase by more than 10%, Defendant, at its option, can either choose to: (1) cut off the end date for the Class Period as of the date on which the number of total Class Workweeks exceeds 71,500, or (2) increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in number of Class Workweeks worked by the Class Members above the 10%. For example, if there was an 11% increase in the number of Class Workweeks during the Class Period, Defendant could agree to increase the Gross Settlement Amount by 1% or end the Class Period as of the date the total number of Class Workweeks exceeded 71,500.
- 10. DEFENDANT'S RIGHT TO WITHDRAW. Neither side shall encourage any Class Member to opt out. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Expenses incurred as of the date Defendant makes this election to withdraw. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.
- 11. MOTION FOR FINAL APPROVAL. Unless otherwise ordered by the Court, not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a

motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 11.1. <u>Response to Objections</u>. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 11.2. <u>Duty to Cooperate</u>. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for a Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement under C.C.P. section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 11.4. Waiver of the Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 11.5. <u>Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment</u>. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall

nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on an equal basis, any additional Administration Expenses reasonably incurred at the time of remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

12. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

13. ADDITIONAL PROVISIONS

- 13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only, and that the Parties' settlement shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class for trial purposes is or would be warranted, appropriate or proper; or that Plaintiffs could establish any of the requisite elements for class treatment of any of the claims in the Action. If, for any reason the Court does not grant Preliminary Approval, Final Approval or Judgment pursuant to this Agreement, or the settlement is termination or otherwise rendered null and void, then certification of the Class shall be automatically vacated, shall be void ab initio, of no force or effect, and shall not constitute evidence or a binding determination that the requirements for certification of a class for trial purposes in this Action or in any other action which have been, are or can be, satisfied. Further, if the Parties' class and PAGA agreement is not finally approved or if it is terminated for any reason, Plaintiffs agree that they will promptly dismiss all the class and individual wage claims in the amended complaint without prejudice and agree to stay the remaining representative PAGA action pending arbitration of Plaintiffs' respective individual claims. Plaintiffs agree that the Parties' settlement shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, that Defendant waived the right to compel arbitration. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 13.2. <u>Confidentiality Prior to Preliminary Approval</u>. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of

Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. This confidentiality clause extends to the parties' use of social media people often use to communicate during their daily lives, such as X (formerly Twitter), Facebook, blogs, Instagram, and the like. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.4. <u>Integrated Agreement</u>. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 13.7. <u>Prior Assignments</u>. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8. <u>Tax Advice</u>. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.9. <u>Modification of Agreement</u>. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. <u>Agreement Binding on Successors</u>. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. <u>Applicable Law</u>. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.12. Attorneys' Fees and Costs. Except as otherwise specifically provided for herein, each party shall bear her or its own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them or arising out of the Action and shall not seek reimbursement thereof from any other party in this Agreement. In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be entitled to recover her or its reasonable attorneys' fees and costs.
- 13.13. <u>Cooperation in Drafting</u>. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.14. <u>Confidentiality</u>. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.15. <u>Use and Return of Class Data.</u> Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the

Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

- 13.16. <u>Headings</u>. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.17. <u>Calendar Days</u>. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.18. <u>Notice</u>. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs and the Class:

Norman B. Blumenthal Kyle R. Nordrehaug Blumenthal Nordrehaug Bhowmik De Blouw LLP 2255 Calle Clara La Jolla, CA 92037

Tel.: (858) 551-1223 Fax: (858) 551-1232

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To Defendant:

Vanessa Franco Chavez Catherine E. Bennett Klein, Denatale, Goldner, Cooper, Rosenlieb & Kimball, LLP 10000 Stockdale Highway, Suite 200 Bakersfield, CA 93311

Tel.: (661) 395-1000 Fax: (661) 326-0418

E-Mail: <u>vchavez@kleinlaw.com</u> cbennett@kleinlaw.com

13.19. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will

exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

- 13.20. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for a period of not less than one (1) year starting from the date of the signing of the Memorandum of Understanding by all parties until the entry of the final approval order and judgment or if not entered the date this agreement shall no longer be of any force or effect.
- 13.21. <u>Fair Settlement</u>. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

14. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: Apr 9, 2024	Isaac rodriguez (Apr 9, 2024 17:26 PDT) Plaintiff Isaac Rodriguez
Dated: Apr 9, 2024	Maria Alvarez (Apr 9, 2024 23:03 PDT) Plaintiff Maria Alvarez
Dated: Apr 9, 2024	Cecilio Guzman (Apr 9, 2024 20:58 PDT) Plaintiff Cecilio Guzman Viveros
Dated: Apr 9, 2024	Kate Lope 2 Hernandez (Apr 9, 2024 23:20 PDT) Plaintiff Kate Lopez
Dated: Apr 9, 2024	Gilberto Serrato Moreno (Apr 9, 2024 20:52 PDT) Plaintiff Gilberto Serrato Moreno.
Dated: April 18, 2024	Jeoffrey Feghali For Defendant Feghali Foods

Approved as to form:

Dated: 4/10/24 Kyle Nordrehaug

Blumenthal Nordrehaug Bhowmik De Blouw LLP

Attorneys for Plaintiff

Dated: 4/18/2024

Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP

Attorneys for Defendant

EXHIBIT A

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR FINAL COURT APPROVAL]

EXHIBIT "A"

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Rodriguez v. Feghali Foods, Superior Court of the State of California, County of Kern, Case No. BCV-23-100142

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

You may be eligible to receive money from an employee class action lawsuit ("Action")
against Defendant Feghali Foods ("Defendant") for alleged wage and hour violations. The
Action was filed by Plaintiffs Isaac Rodriguez, Maria Alvarez, Cecilio Guzman Viveros, Kate
Lopez, and Gilberto Serrato Moreno ("Plaintiffs") and seeks payment of (1) wages and other
relief on behalf of all individuals who were employed by Defendant in California and classified
as a non-exempt employee at any time during the Class Period (February 16, 2020 through
("Class Members"), and (2) penalties and other relief on behalf of all individuals
who were employed by Defendant in California and classified as a non-exempt employee at any
time during the PAGA Period (October 31, 2021 through) ("Aggrieved
Employees").
The Parties have reached a settlement, pending court approval. <i>The Court has not ruled</i>
on the merits of Plaintiffs' claims or Defendant's defenses. Defendant adamantly denies that is
has done anything wrong and disputes all the claims in the Action.
has done anything wrong and disputes an the claims in the Action.
The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant
to fund Individual Class Payments to Class Members, and (2) a PAGA Settlement requiring
Defendant to fund the PAGA Penalties to pay penalties to the California Labor and Workforce
Development Agency ("LWDA") and to Aggrieved Employees.
D 1 D. C 1
Based on Defendant's records, and the Parties' current assumptions, your Individual
Class Payment is estimated to be <<\$> (less withholding), and your share
of the PAGA Penalties is estimated to < be \$>>. The actual amount you
may receive likely will be different and will depend on a number of factors. (If \$0.00 is stated,
then according to Defendant's records you are not eligible for that payment.)
The above estimates are based on Defendant's records showing that you worked
>> Class Workweeks during the Class Period and you worked <
pay periods during the PAGA Period. If you believe that you worked more workweeks and/or
pay periods during either period, you can submit a challenge by the deadline date. See Section 5
of this Notice below.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment, and/or a share of the PAGA Penalties. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims against Defendant as described below in Section 4 below.
- (2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment, however you will preserve your right to personally pursue Class Period wage claims against Defendant. If you are an Aggrieved Employee, you remain eligible for a share of the PAGA Penalties. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
You Don't Have to Do	If you do nothing, you will be a Participating Class Member, eligible
Anything to	for an Individual Class Payment and a share of the PAGA Penalties
Participate in the	(if any). In exchange, you will give up your right to assert the wage
Settlement	claims against Defendant that are covered by this Settlement
	(Released Class Claims).
You Can Opt-out	If you don't want to fully participate in the proposed Settlement, you
of the Class	can opt-out of the Class Settlement by sending the Administrator a
Settlement but	written Request for Exclusion. Once excluded, you will be a Non-
not the PAGA	Participating Class Member and no longer eligible for an Individual
Settlement	Class Payment. Non-Participating Class Members cannot object to
	any portion of the proposed Settlement. See Section 7 of this Notice.
The Opt-out Deadline	However you cannot ont out of the PAGA portion of the proposed
is .	
	1 0
of the Class Settlement but not the PAGA Settlement	can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to

	regardless of whether you submit a request for exclusion.
Participating Class Members Can Object to the Class Settlement Written Objections Must be Submitted by the Response Deadline	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You can object to the Settlement and/or the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 8 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on at [a.m./p.m.], at the Kern County Superior Court, located at 1215 Truxtun Ave, Bakersfield, CA 93301, in Department before Judge This hearing may change as explained below in Section 9. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 9 of this Notice
You Can Challenge the Calculation of Your Workweeks / Pay Periods Witten Challenges Must be Submitted by the Response Deadline ()	The amount of your Individual Class Payment depends on how many workweeks you worked at least one day during the Class Period. The amount of your share of the PAGA Penalties (if any) depends on how many pay periods you worked at least one day during the PAGA Period. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by

1. What is action about?

Plaintiffs were employees of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay minimum wages, failing to pay overtime wages, failing to provide required meal periods and unpaid premiums, failing to provide required rest periods and unpaid premiums, failing to provide accurate itemized wage statements, failing to provide required expense reimbursement, failing to provide wages when due, failure to pay sick wages, and engaging in unfair competition. Plaintiffs also seek civil penalties under the Private Attorneys General Act ("PAGA"). The First Amended Class and Representative Action Complaint, filed _______, 2024, is the Operative Complaint in the Action.

Defendant denies that is has done anything wrong and disputes all the claims in the Action.

2. What does it mean that the action has settled?

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants has agreed to pay an "all in" amount of Eight Hundred Thousand Dollars (\$800,000) (the "Gross Settlement Amount") to fund the settlement of the Action. The Gross Settlement Amount includes all payments of Individual Class Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, the Administration Expenses Payment, and the PAGA Penalties for civil penalties under PAGA. Any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages shall be separately paid by Defendant. Defendant shall fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes, by transmitting the funds to the Administrator no later than 14 days after the Effective Date. The "Effective Date" means the date the Judgment is no longer subject to appeal. Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments to Participating Class Members.

Court Approved Deductions from Gross Settlement Amount. The proposed payments, subject to Court approval, will be deducted from the Gross Settlement Amount before payments of Individual Class Payments are made to Class Members who do not request exclusion ("Participating Class Members"). At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

• <u>Administration Expenses Payment</u>. Payment to the Administrator, estimated not to exceed \$20,000, for expenses, including expenses of notifying the Class Members of the Settlement, processing opt outs, and distributing settlement checks and tax forms.

- Attorneys' Fees and Costs. Payment to Class Counsel of reasonable attorneys' fees not to exceed one-third (1/3) of the Gross Settlement Amount, which presently equals \$266,666, and an additional amount to reimburse actual litigation costs incurred by the Plaintiffs not to exceed \$30,000. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses. The amounts stated are what Class Counsel will be requesting and the final amounts to be paid will be decided at the Final Approval Hearing.
- <u>Class Representative Service Payments</u>. Class Representative Service Payments in an amount not more than \$10,000 each to the Plaintiffs as service awards, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook. The amount stated is what Plaintiffs will be requesting and the final amount to be paid will be decided at the Final Approval Hearing.
- PAGA Penalties. A payment of \$50,000 relating to Plaintiffs' claim under PAGA, \$37,500 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA"). The remaining \$12,500 will be distributed to the Aggrieved Employees as Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$12,500) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period, which is October 31, 2021, through _________.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

Calculation of Payments to Class Members. After all of the payments of the court-approved Attorneys' Fees and Costs, the Class Representative Service Payments, the PAGA Penalties, and the Administration Expenses Payment are deducted from the Gross Settlement Amount, the remaining portion, the "Net Settlement Amount", shall be distributed as Individual Class Payments to the Participating Class Members. The Net Settlement Amount is estimated to be at least \$_______. The Administrator will pay an Individual Class Payment from the Net Settlement Amount to each Participating Class Member. The Individual Class Payment for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of Class Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Class Workweeks. "Class Workweek" means any workweek during the Class Period in which a Class Member worked for Defendant for at least one day. The number of Class Workweeks will be based on Defendant's records; however, Class Members may challenge the number of Class Workweeks as explained below.

If the Settlement is approved by the Court and you do not exclude yourself, you will automatically be mailed a check for your Individual Class Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Fifteen Percent (15%) of each Participating Class Member's Individual Class Payment is in settlement of wage claims (the "Wage Portion"). Accordingly, the Wage Portion is subject to wage withholdings, and shall be reported on IRS Form W-2. Eighty-Five Percent (85%) of each Participating Class Member's Individual Class Payment is in settlement of claims for non-wages, expense reimbursement, interest and penalties allegedly due to employees (collectively the "Non-Wage Portion"). The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099. The employee portion of all applicable income and payroll taxes will be the responsibility of the Participating Class Members. Neither Class Counsel nor Defendant's Counsel intend anything contained in this Class Notice to constitute advice regarding taxes or taxability. The tax issues for each Participating Class Member are unique to him/her, and each Participating Class Member may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

<u>Conditions of Settlement</u>. This Settlement and your receipt of the Individual Class Payment is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

<u>Need to Promptly Cash Payment Checks.</u> The front of every check issued will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the funds represented by such checks to a charity, which are currently is proposed to be Court Appointed Special Advocates of Kern County.

Administrator. The Court has appointed a neutral company, Apex Class Action (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

4. What Do I Release Under the Settlement?

<u>Released Class Claims</u>. Upon the Effective Date and full funding of the Gross Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and

assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and do hereby forever release, discharge, and agree to hold harmless the Released Parties from all claims during the Class Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action including any and all claims for: 1) unlawful business practices; 2) failure to pay minimum wages; 3) failure to pay overtime compensation; 4) failure to provide required meal periods and meal period premium pay; 5) failure to provide required rest periods and rest period premium pay; 6) failure to provide accurate and complete itemized statements; 7) failure to reimburse employees for expenses; 8) failure to pay wages when due; and 9) failure to pay sick pay wages ("Released Class Claims"). To the extent based on facts alleged on the Operative Complaint or the PAGA Letter, the Released Class Claims encompass, but are not limited to, all claims pursuant to the applicable IWC Wage Order, and Labor Code §§ 201, 202, 203, 204, 210, 218, 221, 226, 226.7, 233, 246, 246.5, 510, 512, 515, 1194, 1194.2, 1197, 1197.1, 1198, 2802; California Business and Profession Code §§ 17200, et seq. The Released Class Claims excludes claims, if any, by Class Members for workers compensation; unemployment; disability benefits; causes of action which may be possessed by Class Members (other than the named Plaintiffs) under state or federal discrimination statutes, including, without limitation, wrongful termination and violation of the Fair Employment and Housing Act; and class claims outside of the Class Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants and any other Released Party about the Released Class Claims resolved by this Settlement. It also means that all of the Court's orders in the Action will apply to you and legally bind you.

Released PAGA Claims. Upon the Effective Date and full funding of the Gross Settlement Amount, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities and causes of action for civil penalties under the PAGA, that Aggrieved Employees have had, now have, or may have in the future against Released Parties based on any acts or omissions occurring during the PAGA Period and were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint or the PAGA Notice ("Released PAGA Claims"). The Released PAGA Claims include, but are not limited to, claims for PAGA penalties pursuant to Labor Code §§ 201, 202, 203, 204, 210, 218, 221, 226, 226.7, 227.3, 233, 246, 246.5, 510, 512, 515, 558, 1194, 1194.2, 1197, 1197.1, 1198, 2699, et seq, 2802. Released PAGA Claims excludes claims, if any, by Class Members for workers compensation; unemployment; disability benefits; causes of action which may be possessed by Class Members (other than the named Plaintiffs) under state or federal discrimination statutes, including, without limitation, wrongful termination and violation of the Fair Employment and Housing Act; and PAGA claims outside of the PAGA Period.

<u>Released Parties</u>. The Released Parties are: Defendant and each of its former, future, and present parent, joint venturers, and affiliated corporations and partnerships; their directors, officers, shareholders, principals, owners, members, managers, partners, customers, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries.

5. How much will my payment be?

<u>Individual Class Payments</u>. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Class Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Class Workweeks.

Defendant's records reflect that you worked <<	>> Class Workweeks during the Class
Period (February 16, 2020 through)	,
Based on this information, your estimated Individus Amount is <<>>.	al Class Payment from the Net Settlement
Defendant's records reflect that you worked <<_during the PAGA Period (October 31, 2021, the information your estimated Individual PAGA Payr	rough
If you wish to challenge the information set forth above	, ,
dispute challenging the information along with suppor	•
address provided in this Class Notice no later than the	1
[forty-five (45) days after the	mailing of the Class Notice or an
additional 14 days in the case of re-mailing]. You ma	y also fax the dispute to
or email the dispute to	by no later than the
Response Deadline. Any dispute should include credi	
by the Administrator.	

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Class Workweeks based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Class Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

6. How can I get a payment?

To get money from the Settlement, you do not have to do anything. A check for your Individual Class Payment will be mailed automatically to the same address as this Class Notice.

Your check will be sent to the same address as this Class Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Class Notice has the Administrator's contact information.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Class portion of the Settlement or "opt out." If you opt out, you will not receive an Individual Class Payment from the Settlement, and you will not be bound by its terms, which means you will retain the right to sue Defendant for the Released Class Claims. However, Aggrieved Employees who opt out will still be paid their allocation of the PAGA Penalties and will remain subject to the release of the Released PAGA Claims regardless of whether they submit a request for exclusion.

To opt out, you must submit to the Administrator a written, signed and dated request to opt-out postmarked no later than the Response Deadline which is You may also fax your request to opt out to or email the dispute to by no later than the Response Deadline. The request to opt-out should state in substance that you wish to be excluded from the class settlement in the <i>Rodriguez v. Feghali Foods</i> lawsuit. The
request to opt-out should state the Class Member's full name, address and email address or telephone number. Please include the name and number of the case, which is <i>Rodriguez v. Feghali Foods</i> , Case No. BCV-23-100142. The request to opt-out must be completed and signed by you. No other person may opt-out for a living member of the Class.
The address for the Administrator is Written requests for exclusion that are postmarked after, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.
8. How do I Object to the Settlement?
Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendant are asking the Court to approve. At least sixteen (16) court days before the Final Approval Hearing, scheduled for, Class Counsel and Plaintiffs will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and the amounts Class Counsel is requesting for attorneys' fees and litigation expenses and Plaintiffs is requesting as Class Representative Service Payment. Upon reasonable request, Apex Class Action (whose contact information is below) will send you copies of these documents at no cost to you. You can also view them on Apex Class Action's website at for Rodriguez v. Feghali Foods or on the website for the California Superior Court for the County of Kern (https://www.kern.courts.ca.gov/online-services/case-information-search) and entering the Case No. BCV-23-100142.
A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. The Response Deadline for sending written objections to the Administrator is [forty-five (45) days after the date of the Notice or an additional 14 days after the Notice in the case of re-mailing]. You may also fax the dispute to or email the dispute to by no later than this Response Deadline. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection.
Make sure you identify the Action, Rodriguez v. Feghali Foods, Case No. BCV-23-100142, and

include your name, current address, email or telephone number, and approximate dates of employment for Defendant and sign the objection. The Administrator's contact information is as follows:

Administrator:
Name of Company: <u>Apex Class Action LLC</u>
Email Address:
Mailing Address:
Telephone Number:
Fax Number:

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. You also have the option to appear at the hearing remotely through the Court's procedure at https://www.kern.courts.ca.gov/online-services/remote-court-hearings. Check the Court's website for the most current information. See Section 9 of this Notice (immediately below) for specifics regarding the Final Approval Hearing

The addresses for Parties' counsel are as follows:

CLASS COUNSEL:

Kyle Nordrehaug Blumenthal Nordrehaug Bhowmik DeBlouw LLP 2255 Calle Clara La Jolla, CA 92037

Tel.: (858) 551-1223 Fax: (858) 551-1232

E-Mail: kyle@bamlawca.com

COUNSEL FOR DEFENDANT:

Vanessa Franco Chavez Klein, Denatale, Goldner, Cooper, Rosenlieb & Kimball, LLP 10000 Stockdale Highway, Suite 200 Bakersfield, CA 93311

Tel: (661) 395-1000

E-mail: vchavez@kleinlaw.com

9. Can I Attend the Final Approval Hearing?

You can, but don't have to, attend the Final Approval Hearing at _______ (Pacific Standard Time) on ______, in Department T-2 of the Superior Court of California, County of Kern, at 1215 Truxtun Ave, Bakersfield, CA 93301, before Judge T. Mark Smith. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement and to fix the amounts to be paid as attorneys' fees and costs to Class Counsel and as

service payments to Plaintiffs. If there are objections, the Court will consider them. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing using the procedure at https://www.courtcall.com/) at 888-882-6878.

It's possible the Court will reschedule the Final Approval Hearing. If the hearing is continued, notice will be posted on Apex Class Action's website at _____ under *Rodriguez v*. *Feghali Foods* In addition, hearing dates are posted on the Internet via the Case Information page for the California Superior Court for the County of Kern (https://www.kern.courts.ca.gov/online-services/case-information-search) and entering the Case No. BCV-23-100142.

10. How Can I Get More Information?	
You may call the Administrator atAdministrator, c/o	or write to <i>Rodriguez v. Feghali Foods</i>
This Class Notice summarizes the proposed settle	
Agreement. You may receive a copy of the Settle attorneys' fees, costs and service award, the moti	
·	
documents by going to Apex Class Action's web	
Feghali Foods. You may get more details by exa	amining the Court's file on the Internet via the
Case Information page for the California Superio	r Court for the County of Kern
(https://www.kern.courts.ca.gov/online-services/d	case-information-search) and entering the Case
No. BCV-23-100142. If you wish to view the Co	urt files in person, you do so at the Clerk's
Office at the Metropolitan Division Justice Court	house, 1215 Truxtun Ave, Bakersfield, CA
93301.	

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- What if Your Address Changes To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.
- What if You Fail to Cash a Check Settlement checks will be null and void 180 days after issuance if not deposited or cashed, and this expiration date is printed on the check. In such events, the Administrator shall direct all unclaimed funds to be paid to a *cy pres* beneficiary, which is currently proposed to be Court Appointed Special Advocates of Kern County.
- What if You Lose Your Check If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.

EXHIBIT B

[ORDER GRANTING PRELIMINARY APPROVAL]

1	EXHII	BIT "B"
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11	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
12	COUNTY OF KERN	
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14	ISAAC RODRIGUEZ, MARIA ALVAREZ, CECILIO GUZMAN VIVEROS, KATE	CASE NO.: <u>BCV-23-100142</u>
15	LOPEZ and GILBERTO SERRATOR MORENO, individuals, on behalf of	[PROPOSED] PRELIMINARY
16	themselves and on behalf of all persons similarly situated,	[PROPOSED] PRELIMINARY APPROVAL ORDER
17	Plaintiff,	Hearing Date:
18	VS.	Hearing Time:
19	75.	Judge: Hon. T. Mark Smith Dept: T-2
20	FEGHALI FOODS, a Corporation; and DOES 1 through 50, inclusive,	Date Filed: January 17, 2023
21	Defendants.	Trial Date: Not set
22	Defendants.	
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24	This matter came before the Honorable T	. Mark Smith of the Superior Court of the State of
25	California, in and for the County Kern, on	[DATE], for hearing on the unopposed
26	motion by Plaintiffs Isaac Rodriguez, Maria Alvarez, Cecilio Guzman Viveros, Kate Lopez, and	
27	Gilberto Serrato Moreno ("Plaintiffs") for preliminary approval of the Settlement with Defendant	
28	PRELIMINARY A	PPROVAL ORDER

1.

IT IS HEREBY ORDERED:

for Preliminary Approval of Class Action Settlement.

Agreement ("Agreement") attached as Exhibit ____ to the Declaration of Kyle Nordrehaug in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. This is based on the Court's determination that the Settlement set forth in the Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

The Court preliminarily approves the Class Action and PAGA Settlement

Feghali Foods ("Defendant"). The Court, having considered the briefs, argument of counsel and

all matters presented to the Court and good cause appearing, hereby GRANTS Plaintiffs' Motion

- 2. This Order incorporates by reference the definitions in the Agreement, and all terms defined therein shall have the same meaning in this Order as set forth in the Agreement.
- 3. The Gross Settlement Amount that Defendant shall pay is Eight Hundred Thousand Dollars (\$800,000). It appears to the Court on a preliminary basis that the settlement amount and terms are fair, adequate and reasonable as to all potential Class Members when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability and damages issues. It further appears that investigation and research have been conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It further appears to the Court that the Settlement will avoid substantial additional costs by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the Action. It further appears that the Settlement has been reached as the result of serious and non-collusive, arm's-length negotiations.
- 4. The Court preliminarily finds that the Settlement appears to be within the range of reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds that the monetary settlement made available to the Class is fair, adequate, and

reasonable when balanced against the probable outcome of further litigation and the significant risks relating to certification, liability, and damages issues.

- 5. The Agreement specifies for an attorneys' fees award not to exceed one-third of the Gross Settlement Amount, an award of litigation expenses incurred, not to exceed \$30,000, and proposed Class Representative Service Payments to the Plaintiffs in an amount not to exceed \$10,000 each, which are payable out of the Gross Settlement Amount. The Court will not approve the amount of attorneys' fees and costs, nor the amount of any service award, until the Final Approval Hearing. Plaintiffs will be required to present evidence supporting these requests, including lodestar, prior to final approval.
- 6. The Court recognizes that Plaintiffs and Defendant stipulate and agree to representative treatment and certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this or any other proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the Class which consists of "all individuals who were employed by Defendant in California and classified as a non-exempt employee at any time during the Class Period." The "Class Period" is February 16, 2020 through
- 7. The Court concludes that, for settlement purposes only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that:

 (a) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) the claims of the Plaintiffs are typical of the claims of the members of the Class; (d) the Plaintiffs will fairly and adequately protect the interests of the members of the Class; (e) a class action is superior to other available methods for the efficient adjudication of this controversy; and (f) counsel for the Class is qualified to act as counsel for the Class and the Plaintiffs are adequate representatives of the Class.
 - 8. The Court provisionally appoints Plaintiffs as the representatives of the Class. The

Court provisionally appoints Norman B. Blumenthal, Kyle R. Nordrehaug, Aparajit Bhowmik, Nicholas J. De Blouw, Jeffrey S. Herman, Sergio J. Puche, and Trevor G. Moran of Blumenthal Nordrehaug Bhowmik De Blouw LLP as Class Counsel for the Class.

- Agreement as Exhibit A. The Court finds that the Class Notice appears to fully and accurately inform the Class of all material elements of the proposed Settlement, of the Class Members' right to be excluded from the Class by submitting a written opt-out request, and of each member's right and opportunity to object to the Settlement. The Court further finds that the distribution of the Class Notice substantially in the manner and form set forth in the Agreement and this Order meets the requirements of due process, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of the Class Notice by first class mail and posting of the Class Notice on the internet pursuant to the terms set forth in the Agreement. If a Class Notice Packet is returned because of an incorrect address, the Administrator will promptly search for a more current address for the Class Member and re-mail the Class Notice Packet to any new address for the Class Member no later than seven (7) days after the receipt of the undelivered Class Notice.
- 11. The Court hereby appoints Apex Class Action LLC as the Administrator. No later than fifteen (15) days after this Order, Defendant will provide the Class Data to the Administrator.

The Administrator will perform address updates and verifications as necessary prior to the first mailing. Using best efforts to mail it as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will mail the Class Notice Packet to all Class Members via first-class regular U.S. Mail to their last known address and will post the Class Notice on its website pursuant to the terms set forth in the Agreement.

- 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the Settlement. Any Class Member may individually choose to opt out of and be excluded from the Class as provided in the Class Notice by following the instructions for requesting exclusion from the Class that are set forth in the Class Notice. All requests for exclusion must be postmarked or received no later than forty-five (45) calendar days after the date of the mailing of the Class Notice ("Response Deadline"). If a Class Notice Packet is re-mailed, the Response Deadline for requests for exclusion will be extended an additional fourteen (14) days. A Request for Exclusion may also be faxed or emailed to the Administrator as indicated in the Class Notice. Any such person who chooses to opt out of and be excluded from the Class will not be entitled to any recovery under the Class Settlement and will not be bound by the Class Settlement or have any right to object, appeal or comment thereon. Class Members who have not requested exclusion shall be bound by all determinations of the Court, the Agreement and the Judgment. A request for exclusion may only opt out that particular individual, and any attempt to effect an opt-out of a group, class, or subclass of individuals is not permitted and will be deemed invalid.
- 13. Any Class Member who has not opted out may appear at the final approval hearing and may object or express the Member's views regarding the Settlement and may present evidence and file briefs or other papers that may be proper and relevant to the issues to be heard and determined by the Court as provided in the Class Notice. Class Members will have until the Response Deadline to submit their written objections to the Administrator. Written objections may also be faxed or emailed to the Administrator as indicated in the Class Notice. If a Class Notice Packet is re-mailed, the Response Deadline for written objections will be extended an

1	additional fourteen (14) days. Alternatively, Class Members may appear at the Final Approval
2	Hearing to make an oral objection.
3	14. A final approval hearing shall be held before this Court on
4	at in Department of the Kern County Superior Court to hear the
5	motion for final approval and the motion for attorneys' fees and costs, and to determine all
6	necessary matters concerning the Settlement, including: whether the proposed settlement of the
7	Action on the terms and conditions provided for in the Agreement is fair, adequate and reasonable
8	and should be finally approved by the Court; whether the Final Approval Order and Judgment
9	should be entered herein; whether the plan of allocation contained in the Agreement should be
10	approved as fair, adequate and reasonable to the Class Members; and to finally approve attorneys'
11	fees and costs, service award, and the fees and expenses of the Administrator. All papers in
12	support of the motion for final approval and for attorneys' fees, costs and service award shall be
13	filed with the Court and served on all counsel no later than sixteen (16) court days before the
14	hearing and the motion shall be heard at this final approval hearing.
15	15. Neither the Settlement nor any exhibit, document, or instrument delivered
16	thereunder shall be construed as a concession or admission by Defendant in any way that the
17	claims asserted have any merit or that this Action was properly brought as a class or representative
18	action, and shall not be used as evidence of, or used against Defendant as, an admission or
19	indication in any way, including with respect to any claim of any liability, wrongdoing, fault or
20	omission by Defendant or with respect to the truth of any allegation asserted by any person.
21	Whether or not the Settlement is finally approved, neither the Settlement, nor any exhibit,
22	document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
23	thereof, shall in any event be construed as, offered or admitted in evidence as, received as or
24	deemed to be evidence for any purpose adverse to the Defendant, including, but not limited to,
25	evidence of a presumption, concession, indication or admission by Defendant of any liability,
26	fault, wrongdoing, omission, concession or damage.
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- 1	PRELIMINARY APPROVAL ORDER

1	10. In the event the Settlement does not become effective in accordance with the terms
2	of the Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to
3	become effective for any reason, this Order shall be rendered null and void and shall be vacated,
4	and the Parties shall revert to their respective positions as of before entering into the Agreement,
5	and expressly reserve their respective rights regarding the prosecution and defense of this Action,
6	including all available defenses and affirmative defenses, and arguments that any claim in the
7	Action could not be certified as a class action and/or managed as a representative action. In such
8	an event, the Court's orders regarding the Settlement, including this Order, shall not be used or
9	referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of
0	the Agreement with respect to the effect of the Agreement if it is not approved.
1	17. The Court reserves the right to adjourn or continue the date of the final approval
2	hearing and all dates provided for in the Agreement without further notice to Class Members and
3	retains jurisdiction to consider all further applications arising out of or connected with the
4	proposed Settlement.
5	IT IS SO ORDERED.
6	Dated:
7	HON. T. MARK SMITH
8	JUDGE OF THE SUPERIOR COURT OF CALIFORNIA
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	PRELIMINARY APPROVAL ORDER

EXHIBIT C

[FINAL APPROVAL ORDER AND JUDGMENT]

1	EXHI	BIT "C"
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11	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
12	COUNTY OF KERN	
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14	ISAAC RODRIGUEZ, MARIA ALVAREZ, CECILIO GUZMAN VIVEROS, KATE	CASE NO.: <u>BCV-23-100142</u>
15	LOPEZ and GILBERTO SERRATOR MORENO, individuals, on behalf of	[PROPOSED] FINAL APPROVAL
16	themselves and on behalf of all persons similarly situated,	ORDER AND JUDGMENT
17	Plaintiff,	
18		Hearing Date: Hearing Time:
19	VS.	Judge: Hon. T. Mark Smith
20	FEGHALI FOODS, a Corporation; and DOES	Dept: T-2
21	1 through 50, inclusive,	Date Filed: January 17, 2023 Trial Date: Not set
22	Defendants.	That Date. 110t bet
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	FINAL APPROVAL O	RDER AND JUDGMENT

FINAL APPROVAL ORDER AND JUDGMENT

Settlement, and the assistance of an experienced mediator in the settlement process, among other

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1	factors, support the Court's conclusion that the Settlement is, in all respects, fair, reasonable,
2	adequate, consistent, and compliant with all applicable requirements of the California Code of
3	Civil Procedure, the California and United States Constitutions, including the Due Process clauses,
4	the California Rules of Court, and any other applicable law, and in the best interest of each of the
5	Parties and Class Members.
6	Preliminary Approval of the Settlement
7	5. On, the Court granted preliminary approval of the Settlement. At
8	this same time, the Court approved conditional certification of the Class for settlement purposes
9	only.
10	Notice to the Class
11	6. The Court is satisfied that, which was appointed as the Administrator,
12	completed the distribution of the Class Notice to the Class in a manner that comports with
13	California Rule of Court 3.766. The Class Notice informed prospective Class Members of
14	the Agreement's terms, their rights under the Agreement to receive their settlement share, their
15	rights to submit a request for exclusion, their rights to comment on or object to the Agreement,
16	and their rights to appear at the Final Approval and Fairness hearing, and be heard regarding
17	approval of the Agreement. Sufficient periods of time to respond and to act were provided by each
18	of these procedures.
19	7. In compliance with the Preliminary Approval Order, the Court-approved Class
20	Notice was mailed by first class mail to members of the Class at their last-known addresses on or
21	about, as well as posted on the Administrator's website on the same date.
22	Mailing of the Class Notice to their last-known addresses and posting the notice on the
23	Administrator's website was the best notice practicable under the circumstances and was
24	reasonably calculated to communicate actual notice of the litigation and the proposed settlement to
25	the Class. The Class Notice given to the Class Members fully and accurately informed the Class
26	Members of all material elements of the proposed Settlement and of their opportunity to object to
27	or comment thereon or to seek exclusion from the Settlement; was valid, due, and sufficient notice
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1	to all Class Members; and complied fully with the laws of the State of California, the United
2	States Constitution, due process and other applicable law. The Class Notice fairly and adequately
3	described the Settlement and provided Class Members adequate instructions and a variety of
4	means to obtain additional information.
5	8. The Response Deadline for opting out or submitting written objections to the
6	Settlement was, which for re-mailings was extended by fourteen (14) days. There
7	was an adequate interval between notice and the deadline to permit Class Members to choose what
8	to do and to act on their decision. A full and fair opportunity has been afforded to the Class
9	Members to participate in this hearing, and all Class Members and other persons wishing to be
10	heard have had a full and fair opportunity to be heard. Class Members also have had a full and
11	fair opportunity to exclude themselves from the proposed Settlement and Class. Accordingly, the
12	Court determines that all Class Members who did not timely and properly submit a request for
13	exclusion are bound by the Settlement and this Final Approval Order and Judgment.
14	Fairness of the Settlement
15	9. The Agreement is entitled to a presumption of fairness. <i>Dunk v. Ford Motor Co.</i>
16	48 Cal.App.4th 1794, 1801 (1996).
17	a. The settlement was reached through arm's-length bargaining between the
18	Parties during an all-day mediation before Tagore Subramaniam, Esq., an experienced mediator of
19	wage and hour class actions. There has been no collusion between the Parties in reaching the
20	Settlement.
21	b. Plaintiffs and Class Counsel's investigation and discovery have been
22	sufficient to allow the Court and counsel to act intelligently.
23	c. Counsel for all Parties are experienced in similar employment class action
24	litigation. Class Counsel recommended approval of the Agreement.
25	d. The percentage of objectors and requests for exclusion is small
26	objections were received requests for exclusion were received.
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1	e Class Members will be mailed a settlement payment, representing
2	% of the overall Class.
3	10. The consideration to be given to the Class Members under the terms of the
4	Agreement is fair, reasonable and adequate considering the strengths and weaknesses of the
5	claims asserted in this action and is fair, reasonable and adequate compensation for the release of
6	Class Members' claims, given the uncertainties and significant risks of the litigation and the
7	delays which would ensue from continued prosecution of the action.
8	11. The Agreement is finally approved as fair, adequate and reasonable and in the best
9	interests of the Class Members.
10	Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment
11	12. From the Gross Settlement Amount, an award of \$ for attorneys'
12	fees, representing one-third of the Gross Settlement Amount, and \$ for litigation
13	costs and expenses, is reasonable, in light of the contingent nature of Class Counsel's fee, the
14	hours worked by Class Counsel, and the results achieved by Class Counsel. The requested award
15	has been supported by Class Counsel's lodestar and billing statement.
16	Class Representative Service Payments
17	13. The Agreement provides for Class Representative Service Payments of not more
18	than \$10,000 each to the Plaintiffs, subject to the Court's approval. The Court finds that Class
19	Representative Service Payments in the amount of \$ from the Gross Settlement
20	Amount to each of the Plaintiffs is reasonable in light of the risks and burdens undertaken by the
21	Plaintiffs in this litigation and for their time and effort in bringing and prosecuting this matter on
22	behalf of the Class.
23	Administration Expenses Payment
24	14. The Administrator shall calculate and administer the payment to be made to the
25	Class Members, transmit payment for attorneys' fees and costs to Class Counsel, transmit the
26	Class Representative Service Payments to the Plaintiffs, issue all required tax reporting forms,
27	calculate withholdings and perform the other remaining duties set forth in the Agreement. The
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	FINAL APPROVAL ORDER AND JUDGMENT

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1	Administrator has documented \$ in fees and expenses, and this amount is reasonable in
2	light of the work performed by the Administrator.
3	PAGA Penalties
4	15. The Agreement provides for a PAGA Penalties out of the Gross Settlement
5	Amount of \$50,000, which shall be allocated \$37,500 to the Labor & Workforce Development
6	Agency ("LWDA") as the LWDA's 75% share of the settlement of civil penalties paid under this
7	Agreement pursuant to the PAGA and \$12,500 to be distributed to the Aggrieved Employees and
8	allocated by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties
9	(\$12,500) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during
10	the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay
11	Periods. "Aggrieved Employees" are all individuals who were employed by Defendant in
12	California and classified as a non-exempt employee at any time during the PAGA Period (October
13	31, 2021 through). Pursuant to Labor Code section 2699, subdivision (l)(2), the
14	LWDA was provided notice of the Agreement and these settlement terms and has not indicated
15	any objection thereto. The Court finds the PAGA Penalties to be reasonable.
16	II.
17	<u>ORDERS</u>
18	Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:
19	16. The Class is certified for the purposes of settlement only. The Class is defined as
20	follows, which the Court deems sufficient for the purpose of rule 3.765(a) of the California Rules
21	of Court and solely for the purposes of effectuating the Agreement:
22	All individuals who were employed by Defendant in California and classified as a non-exempt employee at any time during the Class Period (February 16, 2020
23	through).
24	17. The Court finds that an ascertainable class of class members exists and a
25	well-defined community of interest exists on the questions of law ad fact involved because in the
26	context of the Agreement: (i) all related matters, predominate over any individual questions; (ii)
27	the claims of the Plaintiff are typical of claims of the Class Members; and (iii) in negotiating,
28	EDIAL ADDROVAL ODDED AND HIDOMENIE
- 1	FINAL APPROVAL ORDER AND JUDGMENT

is, may be construed as, or may be used as an admission by or against Defendant of any fault, wrongdoing or liability whatsoever. The entering into or carrying out of the Agreement, and any negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses by Defendant. Notwithstanding these restrictions, Defendant may file in the Action or in any other proceeding this Final Approval Order and Judgment, the Agreement, or any other papers and records on file in the Action as evidence of the Settlement to support a defense of *res judicata*, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the Released Class Claims and/or Released PAGA Claims.

- 26. The Court directs the Parties to effectuate the Agreement according to its terms and declares the Agreement to be binding on all Class Members who did not timely submit a Request for Exclusion and on all Aggrieved Employees, whether or not they submitted a Request for Exclusion.
- 27. Notice of entry of this Final Approval Order and Judgment shall be given to all Parties by Class Counsel on behalf of Plaintiffs and all Class Members. The Final Approval Order and Judgment shall be posted on Administrator's website as set forth in the Class Notice to the Class. It shall not be necessary to send notice of entry of this Final Approval Order and Judgment to individual Class Members.
- 28. If the Agreement does not become final and effective in accordance with the terms of the Agreement, then this Final Approval Order and Judgment, and all orders entered in connection herewith, shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective positions as of before entering into the Agreement, and expressly reserve their respective rights regarding the prosecution and defense of this Action, including all available defenses and affirmative defenses, and arguments that any claim in the Action could not be certified as a class action and/or managed as a representative action.

IT IS HEREBY ORDERED, ADJUDICATED AND DECREED THAT:

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- 29. Except as set forth in the Agreement and this Final Approval Order and Judgment, Plaintiff, and all members of the Class, shall take nothing in the Action.
- 30. All Parties shall bear their own attorneys' fees and costs, except as otherwise provided in the Agreement and in this Final Approval Order and Judgment.
- 31. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Participating Class Members, and the LWDA will release claims against all Released Parties as follows:
- All Participating Class Members, on behalf of themselves and their (a) respective former and present representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any capacity, shall and do hereby forever release, discharge, and agree to hold harmless the Released Parties from all claims during the Class Period that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action including any and all claims for: 1) unlawful business practices; 2) failure to pay minimum wages; 3) failure to pay overtime compensation; 4) failure to provide required meal periods and meal period premium pay; 5) failure to provide required rest periods and rest period premium pay; 6) failure to provide accurate and complete itemized statements; 7) failure to reimburse employees for expenses; 8) failure to pay wages when due; and 9) failure to pay sick pay wages ("Released Class Claims"). To the extent based on facts alleged on the Operative Complaint or the PAGA Letter, the Released Class Claims encompass, but are not limited to, all claims pursuant to the applicable IWC Wage Order, and Labor Code §§ 201, 202, 203, 204, 210, 218, 221, 226, 226.7, 233, 246, 246.5, 510, 512, 515, 1194, 1194.2, 1197, 1197.1, 1198, 2802; California Business and Profession Code §§ 17200, et seq. The Released Class Claims excludes claims, if any, by Class Members for workers compensation; unemployment; disability benefits; causes of action which may be possessed by

- (b) All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, rights, demands, liabilities and causes of action for civil penalties under the PAGA, that Aggrieved Employees have had, now have, or may have in the future against Released Parties based on any acts or omissions occurring during the PAGA Period and were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint or the PAGA Notice ("Released PAGA Claims"). The Released PAGA Claims include, but are not limited to, claims for PAGA penalties pursuant to Labor Code §§ 201, 202, 203, 204, 210, 218, 221, 226, 226.7, 227.3, 233, 246, 246.5, 510, 512, 515, 558, 1194, 1194.2, 1197, 1197.1, 1198, 2699, et seq, 2802. Released PAGA Claims excludes claims, if any, by Class Members for workers compensation; unemployment; disability benefits; causes of action which may be possessed by Class Members (other than the named Plaintiffs) under state or federal discrimination statutes, including, without limitation, wrongful termination and violation of the Fair Employment and Housing Act; and PAGA claims outside of the PAGA Period.
- (c) Plaintiffs and his or her respective former and present spouses, representatives, agents, attorneys, heirs, dependents, administrators, devisees, legatees, executors, trustees, conservators, guardians, personal representatives, successors, and assigns, whether individual, class, representative, legal, equitable, direct or indirect, or any other type of any

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1	capacity, shall and does hereby forever generally release, discharge, and agree to hold harmless
2	the Released Parties from the Plaintiffs' Release, as set forth fully in the Agreement.
3	32. For any Class Member or Aggrieved Employee whose Individual Class Payment
4	check or Individual PAGA Payment check is uncashed and cancelled after the void date, the
5	Administrator shall transmit the funds represented by such checks to the Court Appointed Special
6	Advocates of Kern County as the Cy Pres Recipient, which the Court approves as the cy pres
7	beneficiary pursuant to California Code of Civil Procedure Section 384, subd. (b).
8	33. The Court hereby enters judgment in the entire Action as of the filing date of this
9	Order and Judgment, pursuant to the terms set forth in the Settlement. Without affecting the
10	finality of this Order and Judgment in any way, the Court hereby retains continuing jurisdiction,
11	including jurisdiction pursuant to California Code of Civil Procedure section 664.6 and rule
12	3.769(h) of the California Rules of Court, solely for the purposes of enforcing the Agreement,
13	addressing settlement administration matters, and addressing such post-judgment matters as may
14	be appropriate under court rules or applicable law.
15	34. Plaintiff shall file with the Court a report regarding eh status of distribution within
16	180 days after all funds have been distributed.
17	35. This final judgment is intended to be a final disposition of the above-captioned
18	action in its entirety and is intended to be immediately appealable. This final judgment resolves
19	and extinguishes all claims released by the Agreement against Defendant and Released Parties.
20	36. The Court hereby sets a hearing date of at
21	am/pm for a hearing on the final accounting and distribution of the settlement funds.
22	LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IT IS SO ORDERED.
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24	Dated:
25	HON. T. MARK SMITH
26	JUDGE OF THE SUPERIOR COURT OF CALIFORNIA
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	FINAL APPROVAL ORDER AND JUDGMENT